ValueOptions® MARYLAND

The **Top 5 Disadvantages** of a BEHAVIORAL HEALTH CARVE-IN PROGRAM

TOP 5 DISADVANTAGES OF A BEHAVIORAL HEALTH (BH) CARVE-IN MANAGED BY PHYSICAL HEALTH PROVIDERS SUCH AS MANAGED CARE ORGANIZATIONS (MCOs)

1. **Reduced access to BH services**

Penetration for outpatient care was considerably lower in carve-ins, ***NCQA's 5.5 percent average as compared with the SAMHSA study programs averaging 10.9 percent.***

Additionally a SAMHSA sponsored study of Medicaid managed behavioral health care found that public carve-out programs had penetration rates of 11 percent compared to 5.6 percent HEDIS reported penetration rates for Medicaid HMOs nationally in Quality Compass 2000 (1999 data).

2. **BH as a "hobby"**

MCOs tend to lack the strength of behavioral health professionals with the depth and breadth of experience to provide utilization management similar to that of carve-out programs and are therefore less effective in reducing costs or driving improved member outcomes.

Additionally, MCOs lack behavioral health expertise across all services: for example while their clinical team may have some degree of BH expertise, their reporting and data management teams are very unlikely to have any significant amount of BH expertise thus lessening the ability to rely on the MCO to act in a consultative capacity when making informed BH related decisions.

3. **The "what's in it for us" mentality**

Traditional Medicaid managed care organizations have not shown the capacity or the interest in delivering specialized services for those with serious mental illness, unless there was significant money to be made by reducing benefits.

4. **PCPs have enough to do already**

Attempts by PCP s to manage BH treatment plans on their own often results in a lack of specialized care coordination and a failure to focus attention on behavioral conditions. This is especially true for cases in which there exists co-morbidity with a medical condition, which can lead to unnecessary additional costs and less than desirable outcomes.

5. **And finally, it's just not worth the trouble**

Because of the inherent disparity between the global cost of care for physical health as compared to behavioral health, MCOs often cannot justify dedicating resources to managing care for BH services to maintain cost effectiveness or improve outcomes when the "payoff" or potential savings from managing the physical health spend is so exponentially higher.

Furthermore, any potential penalty from failing to meet BH specific performance guarantees may not be high enough in comparison to the potential rewards obtained by concentrating resources on managing the physical health spend to motivate serious effort to meet them.